

Introduced by Senator Kuehl

February 21, 2007

An act to amend Sections 7060 and 7060.4 of the Government Code, relating to rental property.

LEGISLATIVE COUNSEL'S DIGEST

SB 464, as introduced, Kuehl. Rental property: public entity restrictions.

Existing law generally prohibits public entities from adopting any statute, ordinance, or regulation, or taking any administrative action, to compel the owner of residential real property to offer or to continue to offer accommodations, as defined, in the property for rent or lease.

This bill would specify that this prohibition against local action only applies with respect to owners of residential real property who have owned the property for 5 years.

Existing law authorizes, subject to specified provisions, any public entity that has in effect any system of rent control to require the owner to notify the entity of an intention to withdraw those accommodations from rent or lease. This authorization provides that the rent control system may establish the date on which the accommodations are withdrawn from rent or lease 120 days from the delivery in person or by first-class mail of that notice to the public entity, unless the tenant or lessee is at least 62 years of age or disabled and has lived in his or her accommodations for at least one year prior to the date of delivery to the public entity of the notice of intent to withdraw, in which case the date of withdrawal of the accommodations of that tenant or lessee is required to be extended to one year after the date of delivery of that notice to the public entity. Existing law specifies that this one-year extension occurs only if the tenant or lessee gives written notice of his

or her entitlement to an extension to the owner within 60 days of the date of delivery to the public entity of the notice of intent to withdraw.

This bill would instead specify that the rent control system of a public entity may require that the one-year extension applies to all tenancies in the applicable accommodations if a tenant or lessee who is at least 62 years of age or disabled has lived in the accommodations for at least one year prior to the delivery of notice to a public entity and gives the required 60-day notice to the owner. This bill would require an owner in these circumstances to notify all tenants of the one year extension. This bill would make conforming changes to related provisions.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 7060 of the Government Code is amended
2 to read:

3 7060. (a) ~~No~~A public entity, as defined in Section 811.2, shall
4 *not*, by statute, ordinance, or regulation, or by administrative action
5 implementing any statute, ordinance or regulation, compel the
6 owner of any residential real property *who has owned the property*
7 *for five years* to offer, or to continue to offer, accommodations in
8 the property for rent or lease, except for guestrooms or efficiency
9 units within a residential hotel, as defined in Section 50519 of the
10 Health and Safety Code, if the residential hotel meets all of the
11 following conditions:

12 (1) The residential hotel is located in a city and county, or in a
13 city with a population of over 1,000,000.

14 (2) The residential hotel has a permit of occupancy issued prior
15 to January 1, 1990.

16 (3) The residential hotel did not send a notice of intent to
17 withdraw the accommodations from rent or lease pursuant to
18 subdivision (a) of Section 7060.4 that was delivered to the public
19 entity prior to January 1, 2004.

20 (b) For the purposes of this chapter, the following definitions
21 apply:

22 (1) "Accommodations" means either of the following:

23 (A) The residential rental units in any detached physical
24 structure containing four or more residential rental units.

(B) With respect to a detached physical structure containing three or fewer residential rental units, the residential rental units in that structure and in any other structure located on the same parcel of land, including any detached physical structure specified in subparagraph (A).

(2) “Disabled” means a person with a disability, as defined in Section 12955.3 of the Government Code.

SEC. 2. Section 7060.4 of the Government Code is amended to read:

7060.4. (a) (1) Any public entity which, by a valid exercise of its police power, has in effect any control or system of control on the price at which accommodations are offered for rent or lease, may require by statute or ordinance, or by regulation as specified in Section 7060.5, that the owner notify the entity of an intention to withdraw those accommodations from rent or lease and may require that the notice contain statements, under penalty of perjury, providing information on the number of accommodations, the address or location of those accommodations, the name or names of the tenants or lessees of the accommodations, and the rent applicable to each residential rental unit.

~~Information~~

(2) *Information* respecting the name or names of the tenants, the rent applicable to any residential rental unit, or the total number of accommodations, is confidential information and for purposes of this chapter shall be treated as confidential information by any public entity for purposes of the Information Practices Act of 1977 (Chapter 1 (commencing with Section 1798) of Title 1.8 of Part 4 of Division 3 of the Civil Code). A public entity shall, to the extent required by the preceding sentence, be considered an “agency,” as defined by subdivision (d) of Section 1798.3 of the Civil Code.

(b) The statute, ordinance, or regulation of the public entity may require that the owner record with the county recorder a memorandum summarizing the provisions, other than the confidential provisions, of the notice in a form which shall be prescribed by the statute, ordinance, or regulation, and require a certification with that notice that actions have been initiated as required by law to terminate any existing tenancies. In that situation, the date on which the accommodations are withdrawn from rent or lease for purposes of this chapter is 120 days from

1 the delivery in person or by first-class mail of that notice to the
2 public entity. However, if ~~the~~ *any* tenant or lessee is at least 62
3 years of age or disabled, and has lived in his or her
4 accommodations for at least one year prior to the date of delivery
5 to the public entity of the notice of intent to withdraw pursuant to
6 subdivision (a), then the date of withdrawal of the accommodations
7 ~~of that tenant or lessee~~ shall be extended to one year after the date
8 of delivery of that notice to the public entity, provided that ~~the~~ *a*
9 tenant or lessee gives written notice of his or her entitlement to an
10 extension to the owner within 60 days of the date of delivery to
11 the public entity of the notice of intent to withdraw. In that
12 situation, the following provisions shall apply:

13 (1) ~~The tenancy~~ *tenancies* shall be continued on the same terms
14 and conditions as existed on the date of delivery to the public entity
15 of the notice of intent to withdraw, subject to any adjustments
16 otherwise available under the system of control.

17 (2) No party shall be relieved of the duty to perform any
18 obligation under the lease or rental agreement.

19 ~~(3) The owner may elect to extend the date of withdrawal on~~
20 ~~any other accommodations up to one year after date of delivery to~~
21 ~~the public entity of the notice of intent to withdraw, subject to~~
22 ~~paragraphs (1) and (2).~~

23 ~~(4)~~
24 (3) Within 30 days of the notification by ~~the~~ *a* tenant or lessee
25 to the owner of his or her entitlement to an extension, the owner
26 shall give written notice to the public entity *and all other tenants*
27 ~~of the~~ *a* claim that the tenant or lessee is entitled to stay in their
28 accommodations for one year after date of delivery to the public
29 entity of the notice of intent to withdraw.

30 ~~(5)~~
31 (4) Within 90 days of date of delivery to the public entity of the
32 notice of intent to withdraw, the owner shall give written notice
33 to the public entity and the affected ~~tenant or lessee of the owner's~~
34 ~~election to extend the date of withdrawal and the new date of~~
35 ~~withdrawal under paragraph (3)~~ *tenants that the date of withdrawal*
36 *has been extended for one year.*

37 (c) The statute, ordinance, or regulation of the public entity
38 adopted pursuant to subdivision (a) may also require the owner to
39 notify any tenant or lessee *to be* displaced pursuant to this chapter
40 of the following:

1 (1) That the public entity has been notified pursuant to
2 subdivision (a).

3 (2) That the notice to the public entity specified the name and
4 the amount of rent paid by the tenant or lessee as an occupant of
5 the accommodations.

6 (3) *The date of withdrawal has been extended to one year*
7 *pursuant to subdivision (b).*

8 ~~(3)~~

9 (4) The amount of rent the owner specified in the notice to the
10 public entity.

11 ~~(4)~~

12 (5) Notice to the tenant or lessee of his or her rights under
13 paragraph (3) of subdivision (b) of Section 7060.2.

14 ~~(5) Notice to the tenant or lessee of the following:~~

15 ~~(A) If the tenant or lessee is at least 62 years of age or disabled,~~
16 ~~and has lived in his or her accommodations for at least one year~~
17 ~~prior to the date of delivery to the public entity of the notice of~~
18 ~~intent to withdraw, then tenancy shall be extended to one year after~~
19 ~~date of delivery to the public entity of the notice of intent to~~
20 ~~withdraw, provided that the tenant or lessee gives written notice~~
21 ~~of his or her entitlement to the owner within 60 days of date of~~
22 ~~delivery to the public entity of the notice of intent to withdraw.~~

23 ~~(B) The extended tenancy shall be continued on the same terms~~
24 ~~and conditions as existed on date of delivery to the public entity~~
25 ~~of the notice of intent to withdraw, subject to any adjustments~~
26 ~~otherwise available under the system of control.~~

27 ~~(C) No party shall be relieved of the duty to perform any~~
28 ~~obligation under the lease or rental agreement during the extended~~
29 ~~tenancy.~~

30 (d) The statute, ordinance, or regulation of the public entity
31 adopted pursuant to subdivision (a) may also require the owner to
32 notify the public entity in writing of an intention to again offer the
33 accommodations for rent or lease.